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August 25, 2008

Mary Cottrell, Secretary
Department of Public Utilities
One South Station, Second Floor
Boston, Mass. 021110

RE: Energy Efficiency Program Administrators proposals to increase spending for winter 2008 residential heating programs

Dear Secretary Cottrell:

This is the Comment of the Low-Income Weatherization and Fuel Assistance Program Network (the Network), described in G.L. c. 25, sec. 19(c). We have received filings from every Administrator¹ and welcome this opportunity to bring efficiency to more of our clients. The Network implements the low-income programs of the Massachusetts Energy Efficiency Program Administrators. We are grateful to the Department, as well as to the Department of Energy Resources (DOER), the Executive Office of Energy and the Environment (EEA) and to the General Court, for their support of the Green Communities Act and of the Network's efforts to implement high-quality low-income energy efficiency programs .

We are in complete agreement with the need for immediate responses to the upcoming winter, including by expanding energy efficiency programs as rapidly and responsibly as possible, consistent with the Network's ongoing quality control program to assure that high levels of safety and savings are actually achieved. The Network is pleased to be working with the Commonwealth's gas and electricity utilities, Cape Light Compact, and DOER to address this urgent need. As the Administrators have noted, the low-income portions of the filings have been developed in consultation with Network agencies that implement the low income programs. The Network is pleased that the filings reflect statewide average annualized funding increases on the order of 40 percent and would only note that our ability to implement programs at this level is contingent on approval by the Department in time to recruit contractors to perform the additional work. This aggressive effort can result in significant savings only if:

¹ National Grid's proposal to increase funding was approved in D.P.U. 07-104. Although Blackstone Gas did not file a proposal, the Network is in discussions to determine a workable efficiency funding and implementation strategy.

- There is sufficient lead time to recruit, hire, and train the new staff and new contractors that are required;
- There is long-term contractual certainty for agencies and contractors to support the required staffing and other commitments decisions over time;
- Funding is allowed to rollover from year to year, in support of budgeting commitments, in the event of unexpected production or paperwork delays across the artificial boundaries of a calendar year;
- The existing controls to achieve high quality are maintained, along with the existing commitments to comprehensive whole-house treatment;
- Aggressive, but realistically achievable, goals are set; and
- Measures are fully funded that can achieve significant savings.

As critical as these efficiency funding increases are, it is important to view them with a realistic eye. An 80% or 100% bill increase minus a 20% or 30% efficiency savings still adds up to unaffordable heating bills for the tens of thousands of families whose resources are shrinking. Also, important as efficiency is in the long run for many reasons, it will not be physically possible to address the upcoming winter crisis for everyone with even these efficiency savings based on these increased budgets.

The short-term emergency alternative is direct assistance. Repeated failures of the U.S. Congress to increase LIHEAP funding underscores the scale of the problem. Unless there is state action beyond the \$10 million appropriated so far, our clients will have less than half as much money this year as last while heating bills will as much as double. The maximum Massachusetts fuel assistance grant, for instance, is scheduled to drop from \$1165 to \$503. This means that tens of thousands of people heating with oil, wood, or propane – not protected by this Department’s moratorium – are probably going to be unable to stay in their homes this winter. Come the spring, tens of thousands more, unable to pay their winter gas heating bills, will have their service terminated.

There is a need to mobilize.

Respectfully submitted,

LOW-INCOME WEATHERIZATION AND FUEL ASSISTANCE NETWORK,

By their attorney,

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cc: Service List (electronically)

Jamie Tosches, Office of the Attorney General (by US mail)